

P-430, 421, 407, 405, 426/CI-90-442 INITIATING INVESTIGATION

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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Chair  
Commissioner  
Commissioner  
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In the Matter of a Commission Investigation  
into Extended Area Service Between  
Norwood and the Minneapolis/St. Paul  
Metropolitan Calling Area

ISSUE DATE: August 6, 1990

DOCKET NO. P-430, 421, 407, 405, 426/CI-  
90-442

ORDER INITIATING INVESTIGATION

**PROCEDURAL HISTORY**

On April 27, 1990, the Minnesota legislature enacted legislation regulating the installation of extended area service (EAS) in Minnesota and requiring the expansion of the Minneapolis/St. Paul metropolitan extended area telephone service under certain circumstances. Minn. Stat. § 237.161 (1990).

On June 12, 1990, the Commission met to consider the implications of this legislation for matters currently pending before the Commission<sup>1</sup> and to undertake its revised regulatory responsibilities under

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<sup>1</sup> The implications of the new legislation for petitions currently pending before the Commission from various telephone exchanges for extended area service (EAS) to the Minneapolis/St. Paul metro calling area are addressed in separate Orders of the Commission:

1. In the Matter of the Petitions of Certain Subscribers in the Exchanges of Zimmerman, Prescott, Waconia, Belle Plaine, North Branch, Lindstrom, New Prague, Cambridge, Hudson, Houlton, LeSueur, Cannon Falls, Delano, Northfield, Buffalo, and Watertown for Extended Area Service to the Minneapolis/St. Paul Metropolitan Calling Area, Docket P-421, 405, 407, 430, 426, 520, 427/CI-87-76, ORDER AFTER RECONSIDERATION OF JUNE 20, 1989 ORDER IN LIGHT OF MINNESOTA STATUTE § 237.16 (1990) (June 26, 1990).

2. In the Matter of the Petition for Extended Area Service from Mayer, Minnesota to the Minneapolis/St. Paul Metropolitan Calling Area, Docket No. P-407, 421, 430, 405, 426/CP-88-839, ORDER REQUIRING FILING OF COST STUDIES AND PROPOSED RATES (July 3, 1990).

3. In the Matter of the Petition of Certain Subscribers in the Montrose Exchange for Extended Area Service to the Minneapolis/St. Paul Metropolitan Calling Area, Docket No. P-421, 413, 407, 405, 430, 426/CP-88-856, ORDER DEFERRING ACTION (July 3, 1990)

the legislation.

## **FINDINGS AND CONCLUSIONS**

The new EAS legislation requires the Commission to expand the Minneapolis/St. Paul metropolitan extended area service local calling area to include each local service telephone exchange served by a central office or wire center located within the metropolitan area<sup>2</sup> if a majority of the exchange's subscribers responding to a Commission poll favor inclusion in the metropolitan calling area. Minn. Stat. § 237.161, Sec. 2, Subd. 2.

There are eight (8) exchanges with a central office located within the metropolitan area that do not have EAS to the metro calling area at present: Watertown, Waconia, Belle Plaine, New Prague and Mayer, which have petitions for EAS pending before the Commission, and New Germany, Cologne, and Norwood, which do not. Pursuant to the new legislation, decision-making regarding the expansion of EAS into a metropolitan exchange that currently does not have EAS proceeds as follows: prior to conducting the poll and with the cooperation of the telephone companies that provide local telephone service to that exchange and the existing metro calling area, the Commission determines the rates that would be charged for EAS. Then, the Commission issues ballots to each customer in the exchange clearly identifying the rate that would be charged to customers in that exchange if the exchange became part of the metropolitan extended service area. Ballots are to be returned to the Commission within 60 days at no cost to the customers. If a majority of the customers in the exchange responding to the poll indicate that they favor inclusion, the Commission will include that exchange in the metropolitan local calling area.

In brief, then, the role of the Commission with respect to the potential expansion of EAS into these exchanges is to determine appropriate EAS rates for the exchange and administer a referendum among the exchange's subscribers to determine whether there is sufficient subscriber support to include the exchange in the metropolitan calling area.

There is no petition for EAS currently pending before the Commission from the Norwood exchange. However, as part of its responsibilities to initiate and coordinate the decision-making process within the Norwood exchange pursuant to Minn. Stat.

§ 237.161, Sec. 2 (1990) and as part of its ongoing authority to regulate telephone service in Minnesota pursuant to Minn. Stat.

§ 237.081, the Commission will initiate an investigation into the possible expansion of EAS between

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4. In the Matter of the Petition of Certain Subscribers of the Waverly Exchange for Extended Area Service to the Metropolitan Calling Area, Docket No. P-413, 421, 430, 407, 405, 426/CP-89-187, ORDER DEFERRING ACTION (July 3, 1990).

5. In the Matter of a Petition for Extended Area Service Between the Monticello Exchange and the Minneapolis/St. Paul Metropolitan Calling Area, Docket No. P-404, 421, 430, 407, 405, 426/CP-89-1039, ORDER REQUIRING FILING OF TRAFFIC STUDY (July 3, 1990).

<sup>2</sup> For purposes of this provision, the term "metropolitan area" means all of the area within the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

the Norwood exchange and the metropolitan extended local calling area. The investigation docket opened by this Order will encompass the activities and responsibilities of all parties towards the Norwood exchange under Minn. Stat. § 237.161, Sec. 2.

### **ORDER**

1. An investigation into the provision of extended area service (EAS) between the Norwood exchange and the Minneapolis/St. Paul metropolitan calling area is opened. This investigation shall be assigned docket number P-430, 421, 407, 405, 426/CI-90-442.
2. Within 45 days of the date of this Order, the telephone company serving the Norwood exchange (United Telephone Company) and each of the companies serving the existing metro calling area (Northwestern Bell, Contel, Central Telephone Company, United Telephone Company, and Scott-Rice Telephone Company) shall file a cost study and proposed rates for EAS between the Norwood exchange and the metro calling area which meet the requirements of Minn. Stat. § 237.161, Sec. 2, Subd. 4. These filings should be made under Docket No. P-430, 421, 407, 405, 426/CI-90-442 and copies shall be served upon the Commission, the Minnesota Department of Public Service, the Residential Utilities Division of the Office of the Attorney General (RUD-OAG), and the City of Norwood.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster  
Executive Secretary

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